



State of Utah

OLENE S. WALKER  
*Governor*

GAYLE McKEACHNIE  
*Lieutenant Governor*

## DEPARTMENT OF TRANSPORTATION

JOHN R. NJORD, P.E.  
*Executive Director*

CARLOS M. BRACERAS, P.E.  
*Deputy Director*

Dear Applicant:

Thank you for your interest in providing potential Consultant Services for the Utah Department of Transportation (UDOT). Prior to a firm receiving any type of work (Pool, RFQ, or Local Government), a firm must be Financially Screened. An annual evaluation of a firm's financial information to determine a fair overhead rate is required as part of the financial screening process. It is the responsibility of the interested firm to provide this information to UDOT's Consultant Services Division. Financial Screening Applications may be downloaded from the web site at <http://www.udot.utah.gov/index.php?m=c&tid=200> or you may contact Raeleen Maxfield (Consultant Services Accountant) direct at (801) 965-4138 or by email at: [rmaxfield@utah.gov](mailto:rmaxfield@utah.gov).

UDOT's Financial Screening Process is necessary in providing potential Consultant Services for UDOT. A financial screening approval status remains effective for one year. Our new pool period began July 1, 2003 and expires on June 30, 2005. It is not required or necessary for firms to become financially screened unless selected or awarded for project work or already under contract with UDOT. However, firms that desire to submit the application at any time are welcome to do so.

UDOT's General Engineering and Local Government Pool effective July 1, 2003 consists of twenty-six (26) separate work disciplines with each requiring a specific Statement of Qualification (SOQ) in order to be accepted into the pool. The following work disciplines are part of the pool: Aerial Photography, Bridge Design, Bridge Management, Constructability Review, Construction Engineering Management, Cultural/Historic/Native American Services, Dispute Resolution Review, Environmental, Geotechnical/Geological/Hydrogeology, Hazardous Assessments, Intelligent Transportation Systems, Landscape Architect, Major Hydraulic Design, Materials Testing, Pavement Design, Planning/Studies/Urban Planning, Preconstruction Engineering, Right of Way Engineering, Schedule Analysis/Claims Review, Statewide Utility Locating, Minor Structure Design, Subsurface Utility Engineering, Survey/Mapping, Traffic Signals/Street Lighting, Training/Education/Public Involvement, and Value Engineering. These disciplines are subject to change for each pool period according to department needs.

Firms who are interested in providing specialized services as a prime Consultant or as a Sub-Consultant need to be aware of and respond appropriately to the different types of Pools and Project Specific Request for Qualifications (RFQ's) as well as Local Government specific projects. More information regarding the three sources of work can be found at the Consultant Services web page at <http://www.udot.utah.gov/index.php?m=c&tid=200>. Also, please sign up as a Consultant Services E-mail subscriber to receive Department updates regarding projects and other valuable information.

Interested firms need to be aware of UDOT's Statewide Transportation Improvement Program (STIP) and respond to all Request For Qualifications (RFQ's) for which they are interested or qualified. The STIP is also available on-line under "Projects, Studies, and Future Plans." on UDOT's main web page located at: [www.udot.utah.gov](http://www.udot.utah.gov) For upcoming Local Government projects, please contact UDOT's Region Directors. The Consultant Services' Manual of Instructions (MOI) is available for more specific information regarding our services and processes. You may download this MOI from the Consultant Services web site.

Utilization of Disadvantaged Business Enterprises (DBE) is encouraged by the availability of a DBE listing and application form located on UDOT's main web site under "Subtopics" menu "Contractor Tools." (Civil Rights) Consultants should consider this list for possible project work. UDOT encourages prime contractors to use DBE/WBE's as subcontractors where practicable. You may also request information from the Utah Department of Transportation, Civil Rights Division, P.O. Box 141520, Salt Lake City, UT 84114 or by calling (801) 965-4102.

It is the policy of the Utah Department of Transportation (UDOT) that no person in the United States shall, on the grounds of race, color, national origin, sex, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Utah Department of Transportation receives Federal Assistance from the Department of Transportation including Federal Highway Administration. (Title VI of the 1964 Civil Rights Act, 42 U.S.C. 2000, section 601)

The Age Discrimination Act of 1975, 42 U.S.C. 6101, provides: "No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." (Prohibits discrimination based on age.)

Once again, we appreciate your interest in UDOT and look forward to working with qualified firms.

Raeleen Maxfield  
Consultant Services Accountant

## **FINANCIAL SCREENING PROCESS**

To do project work for UDOT, financial screening is required. This can be done at any time. However, it is not necessary to be financially screened and approved unless selected for project work, awarded a contract, or already under contract with UDOT. Becoming financially screened does NOT guarantee project work.

**Financial screening consists of the following and all items must be completed and submitted for review:**

- 1. Completion of the financial screening application and W-9 Tax I.D. number**
- 2. Completion of the financial screening questionnaire**
- 3. Furnishing an overhead rate (Schedule of Indirect Costs) development schedule in accordance with the Federal Acquisition Regulations (FAR) (An example format copy is attached)**
- 4. Providing a certified copy of an independent Schedule of Indirect Costs (Overhead Rate) audit report from a Certified Public Accountant or an independent accounting firm. (Please use the example copy attached)**

**Note: The audit report is not required if desiring contracts for less than \$250,000. To contract for projects over \$250,000, an independent overhead rate audit report is required. (Please use the example copy attached)**

- 5. A copy of the firm's accounting chart of accounts.**
- 6. Submission of the most recent annual or year-to-date financial statements (balance sheet and income statement) that provide support in the calculation of the overhead rate.**

**To become financially screened, complete the six items listed above and submit them to:**

**Raeleen Maxfield  
Utah Department of Transportation  
Consultant Services  
P.O. Box 148490  
Salt Lake City, UT 84114-8490**

Failure to respond timely for information requests or not fully completing an application or submitting all necessary documentation may delay the review process or even disqualify a Consultant from becoming financially screened.

**If you would like a MS Word copy of the financial screening application to complete on a computer, send an e-mail to: [rmaxfield@utah.gov](mailto:rmaxfield@utah.gov) or call (801) 965-4138.**

If you need information or would like a copy of Title 48, Part 31 Cost Principles of the Federal Acquisition Regulations (FAR) please contact Raeleen Maxfield at (801) 965-4138 or by e-mail at: [rmaxfield@utah.gov](mailto:rmaxfield@utah.gov).

When the financial screening review is completed and accepted, an approval letter is sent to the Consultant with the overhead rate verification asking for a signed agreement that needs to be returned to the Consultant Services Accountant.

**Annually,** Consultant Services will notify Consultants of their forthcoming financial screening expiration date. At that time, the Consultant can opt to the following:

1. Request that their name be removed from the Consultant pool list if they no longer desire to do project work with UDOT.
2. Submit a new completed financial screening application to include updated financial statements and a new calculated overhead rate.
3. Provide no response since it is not necessary to be financially screened until awarded or selected for project work at which time the financial screening application must be submitted within two (2) weeks after being selected or awarded for a project. Keep in mind that if the financial screening is not completed and approved in advance, this could delay the contract process.
4. If a Consultant is already under contract with UDOT, financial screening is required and the above stated items must be completed.

You may access Consultant Services Internet main page at <http://www.udot.utah.gov/index.php?m=c&tid=200>. You can find more information about the financial screening process, SOQ's, RFP's, the approved and qualified Consultant list, project advertisements, questions and answers, and other general information at this web site. You may also download the Financial Screening Application complete with example formats.

## **SELECTION PROCESS**

To meet its project schedule, UDOT uses Consultants to supplement its design and construction efforts. Being financially screened does not mean you will be automatically used on projects without going through the standard selection process. To select Consultants, we have set up the following procedure:

1. When a Consultant has completed the financial screening review and has been accepted and also included as part of the General Engineering Pool they are eligible for project work on small dollar amount contracts (Less than \$250,000). This pool is selected every two years. The current General Engineering/Local Government Pool period began July 1, 2003 and expires June 30, 2005.

To qualify for larger dollar amount projects, (over \$250,000) a Consultant must go through the normal Request For Qualifications (RFQ) process by submitting a Statement of Qualification (SOQ) for various work disciplines as advertised.

2. Consultants are selected based on qualifications, experience and by submittal of a Request For Qualification (RFQ) or Request For Proposal (RFP) and UDOT being able to negotiate a fair and reasonable compensation for the project.
3. UDOT uses a qualification-based procedure to select Consultants for RFQ projects to perform specific advertised work. This procedure consists of:
  - a. Short-listing Consultants by their submitted Statement of Qualifications
  - b. Having an interview by the Selection Board
4. Consultants who are part of the General Engineering Pool have already been selected as qualified by their submitted Statement of Qualification (SOQ). UDOT Project Managers select Consultants for small dollar amount (less than \$250,000) projects based on their approved and qualified work discipline.
5. Local government projects – UDOT is the management agency for both Federal, State, and local government projects. Local government agencies can select Consultants from the following three sources:
  - a. The Request For Qualification (RFQ) process
  - b. The Consultant General Engineering/Local Government Pool
  - c. The Engineer of Record in which the local government agency submits a request to UDOT for Consultant Services and provides information based on their selection.

# **INDEPENDENT AUDITOR'S REPORT ON THE SCHEDULE OF INDIRECT COSTS**

## **(EXAMPLE FORMAT)**

(This letter should be on accounting firm or independent CPA letterhead.)

(This report is from the Uniform Audit and Accounting Guide For Transportation Consultants dated March 2001.)

We have audited the Schedule of Indirect Costs for \_\_\_\_\_ for the fiscal year ended \_\_\_\_\_. This statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this statement based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the financial audit standards contained in the Government Auditing Standards issued by the Comptroller General of the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Indirect Costs. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement was prepared on a basis of accounting practices prescribed by Part 31 of the Federal Acquisition Regulations (FAR) and certain other federal and state regulations and is not intended to be a presentation in conformity with generally accepted accounting principles.

In our opinion, the statement referred to above presents fairly, in all material respects, the direct labor, fringe benefits, and general overhead of the Company for the year ended \_\_\_\_\_.

In accordance with the Government Auditing Standards, we have issued a report dated \_\_\_\_\_ on our consideration of the Company's internal controls and its compliance with laws and regulations.

This report is intended solely for the use and information of the Consultant and Government Agencies or other customers related to contracts employing the cost principles of the Federal Acquisition Regulations (FAR) and should not be used for any other purpose.

\_\_\_\_\_  
Signed by Accounting Firm or CPA

\_\_\_\_\_  
Date

# FINANCIAL SCREENING APPLICATION

UTAH DEPARTMENT OF TRANSPORTATION (UDOT) – CONSULTANT SERVICES

|                     |  |             |  |
|---------------------|--|-------------|--|
| <b>COMPANY NAME</b> |  | <b>DATE</b> |  |
|---------------------|--|-------------|--|

|                |               |             |              |            |
|----------------|---------------|-------------|--------------|------------|
| <b>ADDRESS</b> |               |             |              |            |
|                | <b>STREET</b> | <b>CITY</b> | <b>STATE</b> | <b>ZIP</b> |

|                                     |  |
|-------------------------------------|--|
| <b>MAILING ADDRESS IF DIFFERENT</b> |  |
|-------------------------------------|--|

|                  |  |            |  |
|------------------|--|------------|--|
| <b>TELEPHONE</b> |  | <b>FAX</b> |  |
|------------------|--|------------|--|

|                                |  |
|--------------------------------|--|
| <b>FEDERAL TAX I.D. NUMBER</b> |  |
|--------------------------------|--|

|                                           |  |
|-------------------------------------------|--|
| <b>FINANCIAL SCREENING CONTACT PERSON</b> |  |
|-------------------------------------------|--|

|                                                          |  |
|----------------------------------------------------------|--|
| <b>FINANCIAL SCREENING CONTACT PERSON E-MAIL ADDRESS</b> |  |
|----------------------------------------------------------|--|

|                                       |  |
|---------------------------------------|--|
| <b>PROJECT MANAGER CONTACT PERSON</b> |  |
|---------------------------------------|--|

|                                                      |  |
|------------------------------------------------------|--|
| <b>PROJECT MANAGER CONTACT PERSON E-MAIL ADDRESS</b> |  |
|------------------------------------------------------|--|

|                          |  |                                    |  |
|--------------------------|--|------------------------------------|--|
| <b>YEARS IN BUSINESS</b> |  | <b>CURRENT NUMBER OF EMPLOYEES</b> |  |
|--------------------------|--|------------------------------------|--|

## INSURANCE

Please fill in the amounts as applicable.

| INSURANCE              | COVERAGE AMOUNT |
|------------------------|-----------------|
| GENERAL LIABILITY      |                 |
| PROFESSIONAL LIABILITY |                 |
| VALUABLE PAPERS/MEDIA  |                 |
| WORKERS COMPENSATION   |                 |
| AIRCRAFT               |                 |

**Note:** Insurance coverage must be in force in order to perform project work with UDOT.

## TYPES OF SERVICES

(Please check the box if you provide the service)

|  |                                      |  |                                   |
|--|--------------------------------------|--|-----------------------------------|
|  | AERIAL PHOTOGRAMMETRY                |  | MATERIALS TESTING                 |
|  | BRIDGE DESIGN                        |  | MINOR STRUCTURE DESIGN            |
|  | BRIDGE MANAGEMENT                    |  | PAVEMENT DESIGN                   |
|  | CONSTRUCTABILITY REVIEW              |  | PLANNING/STUDIES/URBAN PLANNING   |
|  | CONSTRUCTION/ENGINEERING MANAGEMENT  |  | PRECONSTRUCTION ENGINEERING       |
|  | CULTURAL/HISTORIC/FOSSIL SERVICES    |  | RIGHT OF WAY ENGINEERING          |
|  | DISPUTE RESOLUTION REVIEW            |  | SCHEDULE ANALYSIS/CLAIMS REVIEW   |
|  | ENVIRONMENTAL                        |  | STATEWIDE UTILITY LOCATING        |
|  | GEOTECHNICAL/GEOLOGICAL/HYDROGEOLOGY |  | SUBSURFACE UTILITY ENGINEERING    |
|  | HAZARDOUS ASSESSMENTS                |  | SURVEY/MAPPING                    |
|  | INTELLIGENT TRANSPORTATION SYSTEMS   |  | TRAFFIC SIGNALS/STREET LIGHTING   |
|  | LANDSCAPE ARCHITECT                  |  | TRAINING/EDUCATION/PUBLIC SERVICE |
|  | MAJOR HYDRAULIC DESIGN               |  | VALUE ENGINEERING                 |
|  |                                      |  | OTHER (INDICATE)                  |



## KEY MANAGEMENT OFFICERS

[illegible]

**PROPOSED KEY PERSONNEL**  
**(Primary Personnel To Be Used On UDOT Projects)**

|                     |  |
|---------------------|--|
| <b>COMPANY NAME</b> |  |
|---------------------|--|

[illegible]

**PRIOR WORK EXPERIENCE**

|                     |  |
|---------------------|--|
| <b>COMPANY NAME</b> |  |
|---------------------|--|

List 5 clients who may be contacted for references. Two of these clients should be for services rendered within the last year designating technical capabilities related to the service.

| Project Description | Project Name & Location (City & State) | Type of Service Performed | Project Dollar Value Your Company Did | Client Name & Address | Client Telephone Number |
|---------------------|----------------------------------------|---------------------------|---------------------------------------|-----------------------|-------------------------|
|                     |                                        |                           |                                       |                       |                         |
|                     |                                        |                           |                                       |                       |                         |
|                     |                                        |                           |                                       |                       |                         |
|                     |                                        |                           |                                       |                       |                         |

# FINANCIAL SCREENING QUESTIONNAIRE

## GENERAL ACCOUNTING:

1. Does your company have a standard accounting chart of accounts? Yes ☐ No ☐  
**If yes, please attach.**

2. How does your company accounting system segregate project costs? (cost accounting capability)  
 (Check the box that applies)

|                        |  |                     |  |                         |  |
|------------------------|--|---------------------|--|-------------------------|--|
| Job Costing Method     |  | By Specific Project |  | Other Accounting Method |  |
| Other (Please Explain) |  |                     |  |                         |  |

3. How does your company prepare project billings (invoices)? (Select those that apply)

|  |                                                                        |
|--|------------------------------------------------------------------------|
|  | Invoices are prepared based on actual labor hours                      |
|  | Invoices are prepared based on actual project expenses                 |
|  | From project expenses and labor hours reported on employee time sheets |
|  | From expense reports that are recorded in an accounting system         |
|  | Invoices prepared by an independent accountant/CPA firm                |
|  | Other (Please explain)                                                 |

4. How are financial statements prepared? (Select those that apply) **Please attach the most recent annual or year-to-date financial statements (balance sheet and income statement) that support the calculation of the overhead rate.**

|  |                                                                                                |
|--|------------------------------------------------------------------------------------------------|
|  | Financial statements are prepared by your company                                              |
|  | Financial statements are prepared by an independent CPA or accounting firm                     |
|  | Financial statements are prepared in accordance with generally accepted accounting principles  |
|  | Accounting personnel preparing in house financial statements have the education and experience |
|  | Financial statements are reviewed by an independent CPA or accounting firm                     |
|  | Financial statements are audited annually by an independent CPA or accounting firm             |

5. Please disclose any related party situations that could impact your financial reporting. (i.e. If principals of your firm are involved in business dealings with other entities owned by the principals, such as your firm renting office space, equipment, land, etc. from another firm owned/controlled by the same majority owners).

|  |                         |
|--|-------------------------|
|  | Check if not applicable |
|--|-------------------------|

6. Does the owner or authorized manager of your company assume responsibility in meeting Federal government and UDOT regulatory requirements?

|     |  |    |  |
|-----|--|----|--|
| Yes |  | No |  |
|-----|--|----|--|

7. Is your calculated overhead rate or billable hourly rate in compliance with Federal Acquisition Regulations (FAR), Title 48, Part 31?

|     |  |    |  |
|-----|--|----|--|
| Yes |  | No |  |
|-----|--|----|--|

**LABOR:**

1. Does your company require **direct labor** employees to keep time sheets verifying actual hours worked?

|     |  |    |  |
|-----|--|----|--|
| Yes |  | No |  |
|-----|--|----|--|

If no, how does your company track direct labor employees time?

2. How are your employee time sheets documented for project related and non-billable time? **(Please attach a sample copy of a time sheet.)** (Select those that apply)

|  |                                                                                                          |
|--|----------------------------------------------------------------------------------------------------------|
|  | Separate time sheets are prepared to record indirect or non-billable time such as vacation and holidays  |
|  | The company's accounting system costs non-billable time as part of indirect expenses (overhead)          |
|  | Time sheets reflect and segregate both direct project time and non-billable time                         |
|  | Employees record their own time on the time sheet                                                        |
|  | Corrections to time sheets are done by crossing out the incorrect entry and initialing the correct entry |
|  | Time sheets have the assigned project or job cost number on them                                         |
|  | Time worked is entered in an on-line system using a project or job cost number                           |
|  | Time sheets are approved by a supervisor or manager                                                      |
|  | Accounting system allocates hours and expenses to projects based on time sheets                          |
|  | Other (Please explain)                                                                                   |

3. Are time sheets reviewed and approved by the employee's supervisor?

|     |  |    |  |
|-----|--|----|--|
| Yes |  | No |  |
|-----|--|----|--|

4. How does your company recover costs associated with non-billable labor costs?

|  |                                                                                   |
|--|-----------------------------------------------------------------------------------|
|  | Included as part of indirect (overhead) expenses for determining an overhead rate |
|  | Included as a burden percentage for calculation of an hourly billable rate        |
|  | Other (Please explain)                                                            |

5. For **direct labor salaried employees**, how is the hourly rate calculated?

|  |                                |
|--|--------------------------------|
|  | Annual salary divided by 2,080 |
|  | Other (Please explain)         |

6. For direct labor salaried employees who work overtime and are paid an overtime premium, how is the overtime premium rate calculated? If a salaried employee works more than 40 hours per week, all projects worked on, as part of the business, should receive its fair share of that cost. (i.e. weekly, bi-weekly, or monthly salary divided by total hours worked that period.)

|  |                         |
|--|-------------------------|
|  | Check if not applicable |
|--|-------------------------|

7. How is the premium portion of overtime compensation handled by your firm?

|  |                                                                                                             |
|--|-------------------------------------------------------------------------------------------------------------|
|  | Pay period wages divided by total hours for each pay period and the rate applied to direct & indirect hours |
|  | Premium portion placed in overhead and then allocated to the projects based on direct costs                 |
|  | Other (Please explain)                                                                                      |
|  | Not applicable                                                                                              |

**ADDITIVES:**

1. Does the firm have an established employee leave program?

|  |     |  |    |
|--|-----|--|----|
|  | Yes |  | No |
|--|-----|--|----|

Indicate below the parts to your employee leave program, number of days available, and comments.

|  |                    |                |  |  |
|--|--------------------|----------------|--|--|
|  | Holidays           | Number of days |  |  |
|  | Paid Personal Time | Number of days |  |  |
|  | Vacation           | Number of days |  |  |
|  | Sick Days          | Number of days |  |  |
|  | Funeral Leave      | Number of days |  |  |
|  | Paid Jury Duty     | Number of days |  |  |
|  | Paid Medical Leave | Number of days |  |  |
|  | Other Leave Time   | Number of days |  |  |

Is time charged to projects during leave time?

|     |  |    |  |
|-----|--|----|--|
| Yes |  | No |  |
|-----|--|----|--|

2. How does your company recover costs associated with vacation, sick, holiday, leave time, or other paid benefits?

|  |                                                                    |
|--|--------------------------------------------------------------------|
|  | Costs are included as part of general overhead (indirect expenses) |
|  | Other (Please explain)                                             |

3. Are any of the general and administrative costs also billed as a direct cost?  
If yes, indicate which ones (i.e. vehicle, communications, equipment, travel, meals, etc.

|     |  |    |  |
|-----|--|----|--|
| Yes |  | No |  |
|-----|--|----|--|

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## EQUIPMENT AND DIRECT COSTS:

1. Does your company keep records showing the usage segregation of equipment and other direct charges by each project?

|     |  |    |  |                |  |
|-----|--|----|--|----------------|--|
| Yes |  | No |  | Not applicable |  |
|-----|--|----|--|----------------|--|

2. How are billing rates determined for company owned equipment and other company services?

|  |                                                                           |
|--|---------------------------------------------------------------------------|
|  | Included as part of indirect expenses for calculation of an overhead rate |
|  | Included as a charging cost per hour                                      |
|  | Equipment is billed at a daily or monthly rate                            |
|  | Standard unit rate is developed for equipment and other company services  |
|  | Calculated as a percentage of direct labor                                |
|  | Other (Please explain)                                                    |
|  | Not applicable                                                            |

3. How would your direct project costs be billed (invoiced) to the Utah Department of Transportation?

|  |                                                                                          |
|--|------------------------------------------------------------------------------------------|
|  | At the actual cost including a description of labor hours, materials, any direct costs   |
|  | At the actual cost plus an approved overhead rate percentage additive                    |
|  | At the actual cost, plus an approved overhead rate percentage, plus a fixed fee (profit) |
|  | At an hourly billing rate which includes burden and a fixed fee                          |
|  | Other (Please explain)                                                                   |

## OTHER:

Please provide a brief explanation of the type of service and/or work specialty your company can offer. Be specific in detail and to the point as our project managers may use this information at some point.

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**OVERHEAD RATES:**

1. Please provide an overhead rate schedule indicating total direct labor and related costs (fringe benefits) and general and administrative costs (indirect expenses). Calculate the overhead rate based on a percentage of direct labor. Exclude any FAR related unallowed costs. (For reference, see FAR, Title 48, Part 31). (Refer to the attached example guideline format)
2. Listed below are the overhead rates calculated for our company for contracting projects with UDOT.

|                                        |  |
|----------------------------------------|--|
| <b>FRINGE BENEFITS OVERHEAD RATE</b>   |  |
| <b>GENERAL AND ADMINISTRATIVE RATE</b> |  |
| <b>COMBINED TOTAL OVERHEAD RATE</b>    |  |

(Both the fringe and general/administrative overhead rates should be calculated based on the total direct labor dollar amount.)

**I CERTIFY THAT THE FOREGOING STATEMENTS, ANSWERS TO QUESTIONS,  
AND ANY SCHEDULES ARE ACCURATE AND COMPLETED TO THE BEST OF MY  
KNOWLEDGE.**

|                     |  |
|---------------------|--|
| <b>SIGNATURE</b>    |  |
| <b>PRINTED NAME</b> |  |
| <b>TITLE</b>        |  |
| <b>DATE</b>         |  |

## **SCHEDULE OF FEDERAL ACQUISITION REGULATIONS (FAR) UNALLOWABLE COSTS PER TITLE 48, PART 31**

The following are most of the general unallowable costs that cannot be used for inclusion in overhead rate calculations. These costs are to be excluded before calculating an overhead rate based on a total direct labor dollar amount. This list is provided as a reference and is not all inclusive of the unallowable costs.

| <b><u>ACCOUNT DESCRIPTION</u></b>                | <b><u>FAR REFERENCE SECTION</u></b> |
|--------------------------------------------------|-------------------------------------|
| Advertising and Public Relations                 | 31.205-1                            |
| Alcoholic Beverages                              | 31.205-51                           |
| Amortization of Goodwill                         | 31.205-49                           |
| Bad Debts                                        | 31.205-3                            |
| Business Promotions                              | 31.205-1, 31.205-8                  |
| Capital Raising                                  | 31.205-27                           |
| Collection Costs                                 | 31.205-3                            |
| Contingencies                                    | 31.205-7                            |
| Contributions and Donations                      | 31.205-8                            |
| Employee Morale, Food Service, Gifts, Recreation | 31.205-13                           |
| Entertainment Costs (Social Activities)          | 31.205-14                           |
| Fines and Penalties                              | 31.205-15                           |
| Federal Income Taxes (See Note 1)                | 31.205-41                           |
| Goodwill                                         | 31.205-49                           |
| Insurance (Life Insurance For Company Officers)  | 31.205-19(2)(vi)                    |
| Interest Paid                                    | 31.205-20                           |
| Key Man Life Insurance                           | 31.205-19                           |
| Legal Costs (Limited) (Litigation Unallowed)     | 31.205-47(f)                        |
| Lobbying Costs                                   | 31.205-22                           |
| Losses On Other Contracts                        | 31.205-23                           |
| Marketing Expenses                               | 31.205-1(f)(5)(6)                   |
| Membership in Social/Dining, Country Clubs       | 31.205-1                            |
| Organization/Reorganization Company Costs        | 31.205-27                           |
| Patent Costs                                     | 31.205-30                           |
| Personal Use of Company Vehicles                 | 31.205-6                            |
| Professional Service Fees (See Note 2)           | 31.205-33                           |
| Promotional Material                             | 31.205-1(f)(5)                      |
| Relocation Costs (If Over \$1,000)               | 31.205-35(c)                        |
| Retainer Agreements                              | 31.205-33                           |
| Social Activities                                | 31.205-14                           |
| Trade Show Expenses and Labor                    | 31.205-1                            |
| Travel Costs (See Note 3)                        | 31.205-46                           |

- Note 1: Federal income taxes and excess profits taxes are unallowable as well as taxes associated with financing, refinancing, funding, and reorganizations. State and local income taxes are allowable.
- Note 2: There are certain professional and consultant services costs performed that are unallowable. (e.g. legal litigation expenses) In order for these costs to be considered allowable, the nature and scope of the services rendered must be in relation to the service required and must be of necessity and reasonable.
- Note 3: Costs for travel including meals, lodging, and incidental expenses are allowable subject to limitations based on the Federal Travel Regulations in regards to mileage rates, actual per diem, lodging, transportation, or a combination thereof. Travel expenses must not exceed on a daily basis the maximum per-diem rates, airfare, vehicle mileage, and lodging. To obtain these rates, please contact Raeleen Maxfield at (801) 965-4138.

# OVERHEAD RATE SCHEDULE BASED ON ALLOWABLE AND UNALLOWABLE COSTS (EXAMPLE GUIDELINE FORMAT)

FOR THE YEAR OR PERIOD ENDED: \_\_\_\_\_

THIS SCHEDULE IS PROVIDED AS AN ASSISTANCE IN CALCULATING AN OVERHEAD RATE BASED ON TOTAL DIRECT LABOR COSTS. YOUR COMPANY'S ACCOUNTS AND STRUCTURE MAY VARY WHICH IS ACCEPTABLE. THIS SCHEDULE IS INTENDED TO BE USED AS A GUIDELINE TO HELP ESTABLISH A STANDARD REPORTING FORMAT.

| ACCOUNT DESCRIPTION                                 | ACCOUNT BALANCE | TOTAL COSTS AS PERCENT OF DIRECT LABOR | FAR UNALLOWED COSTS | FAR ALLOWED COSTS | TOTAL ALLOWED OVERHEAD RATE PERCENT |
|-----------------------------------------------------|-----------------|----------------------------------------|---------------------|-------------------|-------------------------------------|
| <b>Total Direct Labor</b>                           | \$ 2,514,156    | 100.00%                                |                     | \$ 2,514,156      | 100.00%                             |
| <b>Fringe Benefits &amp; Related Costs:</b>         |                 |                                        |                     |                   |                                     |
| Payroll Taxes                                       | \$ 282,516      | 7.65%                                  |                     | \$ 282,516        | 11.24%                              |
| Medical Group Insurance                             | \$ 326,840      | 13.00%                                 |                     | \$ 326,840        | 13.00%                              |
| Worker's Compensation                               | \$ 50,236       | 2.00%                                  |                     | \$ 50,236         | 2.00%                               |
| Pension or Retirement Plan (401K)                   | \$ 150,256      | 5.98%                                  |                     | \$ 150,256        | 5.98%                               |
| Unemployment Insurance                              | \$ 15,466       | 0.62%                                  |                     | \$ 15,466         | 0.62%                               |
| Disability Insurance                                | \$ 12,575       | 0.50%                                  |                     | \$ 12,575         | 0.50%                               |
| <b>Total Fringe Benefits</b>                        | \$ 837,889      | 22.09%                                 |                     | \$ 837,889        | 33.33%                              |
| <b>General Overhead (Indirect Expenses)</b>         |                 |                                        |                     |                   |                                     |
| Indirect Labor                                      | \$ 1,178,873    | 46.89%                                 |                     | \$ 1,178,873      | 46.89%                              |
| Professional Fees                                   | \$ 74,198       | 2.95%                                  |                     | \$ 74,198         | 2.95%                               |
| Marketing                                           | \$ 121,200      | 4.82%                                  | \$ 121,200          | \$ -              | 0.00%                               |
| Office Supplies                                     | \$ 108,857      | 4.33%                                  |                     | \$ 108,857        | 4.33%                               |
| Advertising                                         | \$ 50,566       | 2.01%                                  | \$ 50,566           | \$ -              | 0.00%                               |
| Amortization (Goodwill)                             | \$ 10,566       | 0.42%                                  | \$ 10,566           | \$ -              | 0.00%                               |
| Maintenance and Repair                              | \$ 30,767       | 1.22%                                  |                     | \$ 30,767         | 1.22%                               |
| Depreciation                                        | \$ 78,505       | 3.12%                                  |                     | \$ 78,505         | 3.12%                               |
| Taxes - Property, Other                             | \$ 20,785       | 0.83%                                  |                     | \$ 20,785         | 0.83%                               |
| Telephone                                           | \$ 78,590       | 3.13%                                  |                     | \$ 78,590         | 3.13%                               |
| Utilities                                           | \$ 123,122      | 4.90%                                  |                     | \$ 123,122        | 4.90%                               |
| Reproduction Copies                                 | \$ 46,566       | 1.85%                                  |                     | \$ 46,566         | 1.85%                               |
| Dues and Subscriptions                              | \$ 35,495       | 1.41%                                  |                     | \$ 35,495         | 1.41%                               |
| Equipment Rental                                    | \$ 3,560        | 0.14%                                  |                     | \$ 3,560          | 0.14%                               |
| Professional Training and Fees                      | \$ 16,459       | 0.65%                                  |                     | \$ 16,459         | 0.65%                               |
| Bad Debt Expense                                    | \$ 68,354       | 2.72%                                  | \$ 68,354           | \$ -              | 0.00%                               |
| Postage                                             | \$ 25,904       | 1.03%                                  |                     | \$ 25,904         | 1.03%                               |
| Rent                                                | \$ 354,850      | 14.11%                                 |                     | \$ 354,850        | 14.11%                              |
| Donations and Contributions                         | \$ 8,566        | 0.34%                                  | \$ 8,566            | \$ -              | 0.00%                               |
| General Business Insurance                          | \$ 120,550      | 4.79%                                  |                     | \$ 120,550        | 4.79%                               |
| Travel, Meals, Lodging                              | \$ 123,289      | 4.90%                                  | \$ 40,568           | \$ 82,721         | 3.29%                               |
| Entertainment                                       | \$ 19,626       | 0.78%                                  | \$ 19,626           | \$ -              | 0.00%                               |
| Interest Expense                                    | \$ 56,233       | 2.24%                                  | \$ 56,233           | \$ -              | 0.00%                               |
| State & Local Income Taxes (No Federal)             | \$ 185,456      | 7.38%                                  |                     | \$ 185,456        | 7.38%                               |
| Computer Maintenance and Supplies                   | \$ 208,857      | 8.31%                                  |                     | \$ 208,857        | 8.31%                               |
| Vehicle Expense                                     | \$ 56,566       | 2.25%                                  | \$ 8,995            | \$ 47,571         | 1.89%                               |
| Recruiting Expenses                                 | \$ 78,555       | 3.12%                                  |                     | \$ 78,555         | 3.12%                               |
| Insurance                                           | \$ 50,456       | 2.01%                                  |                     | \$ 50,456         | 2.01%                               |
| Miscellaneous Expenses (Reasonable)                 | \$ 8,890        | 0.35%                                  |                     | \$ 8,890          | 0.35%                               |
| <b>Total General Overhead (Indirect Expenses)</b>   | \$ 3,344,261    | 133.02%                                | \$ 384,674          | \$ 2,959,587      | 117.72%                             |
| <b>Total Fringe Benefits &amp; General Overhead</b> | \$ 4,182,150    | 155.11%                                | \$ 384,674          | \$ 3,797,476      | 151.04%                             |

# Request for Taxpayer Identification Number and Certification

Give form to the  
requester. Do not  
send to the IRS.

Please print or type

Name (See **Specific Instructions** on page 2.)

Business name, if different from above. (See **Specific Instructions** on page 2.)

Check appropriate box: ☐ Individual/Sole proprietor ☐ Corporation ☐ Partnership ☐ Other ▶ .....

Address (number, street, and apt. or suite no.)

Requester's name and address (optional)

City, state, and ZIP code

## Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the **Part I instructions on page 2**. For other entities, it is your employer identification number (EIN). If you do not have a number, see **How to get a TIN** on page 2.

**Note:** If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

Social security number  
| | | + | | | |

or

Employer identification number  
| | + | | | | |

List account number(s) here (optional)

## Part II For U.S. Payees Exempt From Backup Withholding (See the instructions on page 2.)

## Part III Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), **and**
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **and**
3. I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 2.)

Sign  
Here

Signature of  
U.S. person ▶

Date ▶

## Purpose of Form

A person who is required to file an information return with the IRS must get your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**Use Form W-9 only if you are a U.S. person** (including a resident alien), to give your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

**If you are a foreign person, use the appropriate Form W-8.** See **Pub. 515**, Withholding of Tax on Nonresident Aliens and Foreign Corporations.

**Note:** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**What is backup withholding?** Persons making certain payments to you must withhold and pay to the IRS 31% of such payments under certain conditions. This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, payments you receive will not be subject to backup withholding. **Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part III instructions on page 2 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the Part II instructions and the separate **Instructions for the Requester of Form W-9**.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

**Name.** If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first and then circle the name of the person or entity whose number you enter in Part I of the form.

**Sole proprietor.** Enter your **individual** name as shown on your social security card on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

**Limited liability company (LLC).** If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, **enter the owner's name on the "Name" line.** Enter the LLC's name on the "Business name" line.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

**Other entities.** Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

### Part I—Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box.

If you are a **resident alien** and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How to get a TIN** below.

If you are a **sole proprietor** and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are an **LLC** that is **disregarded as an entity** separate from its owner (see **Limited liability company (LLC)** above), and are owned by an individual, enter your SSN (or "pre-LLC" EIN, if desired). If the owner of a disregarded LLC is a corporation, partnership, etc., enter the owner's EIN.

**Note:** See the chart on this page for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office. Get **Form W-7**, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS's Internet Web Site at [www.irs.gov](http://www.irs.gov).

If you do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all

such payments until you provide your TIN to the requester.

**Note:** Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

### Part II—For U.S. Payees Exempt From Backup Withholding

Individuals (including sole proprietors) are **not** exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. For more information on exempt payees, see the separate Instructions for the Requester of Form W-9.

If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. Enter your correct TIN in Part I, write "Exempt" in Part II, and sign and date the form.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

### Part III—Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required).

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified state tuition program payments, IRA or MSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

### Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to give your correct TIN to persons who must file information returns with the IRS to

report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

## What Name and Number To Give the Requester

| For this type of account:                                                                                                                                                                   | Give name and SSN of:                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| 1. Individual                                                                                                                                                                               | The individual                                                                                          |
| 2. Two or more individuals (joint account)                                                                                                                                                  | The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup> |
| 3. Custodian account of a minor (Uniform Gift to Minors Act)                                                                                                                                | The minor <sup>2</sup>                                                                                  |
| 4. a. The usual revocable savings trust (grantor is also trustee)                                                                                                                           | The grantor-trustee <sup>1</sup>                                                                        |
| b. So-called trust account that is not a legal or valid trust under state law                                                                                                               | The actual owner <sup>1</sup>                                                                           |
| 5. Sole proprietorship                                                                                                                                                                      | The owner <sup>3</sup>                                                                                  |
| For this type of account:                                                                                                                                                                   | Give name and EIN of:                                                                                   |
| 6. Sole proprietorship                                                                                                                                                                      | The owner <sup>3</sup>                                                                                  |
| 7. A valid trust, estate, or pension trust                                                                                                                                                  | Legal entity <sup>4</sup>                                                                               |
| 8. Corporate                                                                                                                                                                                | The corporation                                                                                         |
| 9. Association, club, religious, charitable, educational, or other tax-exempt organization                                                                                                  | The organization                                                                                        |
| 10. Partnership                                                                                                                                                                             | The partnership                                                                                         |
| 11. A broker or registered nominee                                                                                                                                                          | The broker or nominee                                                                                   |
| 12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments | The public entity                                                                                       |

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name, but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

<sup>4</sup> List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

**Note:** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

